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09/717,189	11/21/2000	Bernard H. Wolzenski	5010-02	9504

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ART UNIT	PAPER NUMBER
3692	

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Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

	Application No.	Applicant(s)
Office Action Summary	09/717,189	WOLZENSKI ET AL.
	Examiner	**Art Unit**	
	Clement B. Graham	3692	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE <u>3</u> MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1) ☒ Responsive to communication(s) filed on <u>10/4/2007</u>.

2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.

3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4) ☒ Claim(s) <u>1-201</u> is/are pending in the application.

    4a) Of the above claim(s) _____ is/are withdrawn from consideration.

5) ☐ Claim(s) _____ is/are allowed.

6) ☒ Claim(s) <u>1-201</u> is/are rejected.

7) ☐ Claim(s) _____ is/are objected to.

8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9) ☐ The specification is objected to by the Examiner.

10) ☐ The drawing(s) filed on _____ is/are: a)☐ accepted or b)☐ objected to by the Examiner.

    Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

    Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

    a)☐ All b)☐ Some * c)☐ None of:

      1.☐ Certified copies of the priority documents have been received.

      2.☐ Certified copies of the priority documents have been received in Application No. _____.

      3.☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

    * See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1) ☒ Notice of References Cited (PTO-892)

2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)

3) ☐ Information Disclosure Statement(s) (PTO/SB/08)
    Paper No(s)/Mail Date _____.

4) ☐ Interview Summary (PTO-413)
    Paper No(s)/Mail Date. _____.

5) ☐ Notice of Informal Patent Application

6) ☐ Other: _____.

DETAILED ACTION

1   Applicant's request for reconsideration of the finality of the rejection of the last Office

action is persuasive and, therefore, the finality of that action dated 4/10/2007 is withdrawn.

2.   Claims 44-201 remained pending in this Application.

Claim Rejections - 35 USC § 103

3.   The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness
rejections set forth in this Office action:

> (a) A patent may not be obtained though the invention is not identically disclosed or
> described as set forth in section 102 of this title, if the differences between the subject matter
> sought to be patented and the prior art are such that the subject matter as a whole would have
> been obvious at the time the invention was made to a person having ordinary skill in the art
> to which said subject matter pertains. Patentability shall not be negatived by the manner in
> which the invention was made.

4.   Claims 44-201, are rejected under 35 U.S.C. 103(a) as being unpatentable over

Ryan et al U.S Patent 5, 655, 085 in view Wolfberg et al (Wolfberg U.S. Patent No. 5,

214, 579).

As per claim 44, Ryan discloses a computerized method of establishing and

maintaining a financial product as a life insurance product for an insured party

comprising:

processing an initial funding premium for said life insurance financial product;

subtracting funding charges from said initial funding premium and determining an initial

cash surrender value for said life insurance financial product thereafter;

allocating said initial funding premium to one or more sub-accounts of different financial

investment funds or accounts and calculating a corresponding cash surrender value for

said life insurance financial product (see column 2 lines 45-65 and column 17 lines 12-

44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37

lines 1-18)

determining a life insurance base death benefit amount for said insured as a function of

said corresponding cash surrender value sufficient to retain life insurance status under a

net single premium method based on age declining ratio to cash value amount for said

life insurance financial product and age of the insured and his/her risk classification and

smoking status, said life insurance base death benefit amount increasing and

decreasing based upon said corresponding cash surrender value(see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18) and deducting daily a cost of an at-risk insurance amount corresponding to said death benefit amount from said corresponding cash surrender value sufficient to retain life insurance status for said life insurance financial product.(Note abstract and see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

Ryan fail to explicitly teach on a daily basis, determining account values for said different funds and accounts.

However Wolfberg discloses as shown in FIG. 3A, entry into the system begins with a client's initial investment (100). The initial investment and the periodically received monthly payments are placed into a high-yield fund at a financial institution such as a brokerage house or a bank (102). The high-yield fund reflects the pooling of all client investments into a common investment fund at the financial institution (104). The prevailing interest rate (i.e., the predetermined rate of return applied to the client accounts) is periodically fed back to the data processing system (106) (daily weekly or monthly) so that the processing system can monitor the growth rate of the entire investment fund and turning now to FIG. 4A, this graph plots the growth of an initial investment base as a function of years during which an investment is compounding monthly. FIG. 4A shows graphically how an initial investment will grow based on an 8% rate of return compounded monthly. For example, if the initial investment $X.sub.O$ is $100.00 dollars, at the end of five years the 100.0 dollars will multiply by a factor of 1.49 to mature to 149.00 dollars. At the end of 10 years the 100.00 dollars will be multiplied by a factor of 2.22 to mature into 222.0 etc. The growth factors shown in FIG. 4A, i.e., 1.49 and 2.22, 3.31, and 4.93, remain the same regardless of the amount of the initial investment. Thus, growth factors may be used to determine a projected value for the growth of an account after N years based on any initial investment base $X.sub.O$. (see column 8 lines 56-68 and column 10 lines 16-31 and column 14 lines 55-63 and column 21 lines 47-52).

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Ryan to include on a daily basis, determining account values for said different funds and accounts taught by Wolfberg in order to manage and control annuities and distribution of annuities payment.

As per claim 45, Ryan discloses wherein the computerized method defines the funding of said life insurance financial product therein, effects the subtraction of said funding charges and effects the deducting of said cost of said at-risk insurance amount.

As per claim 46, Ryan wherein determining said life insurance base death benefit amount sufficient to retain said life insurance status is correlated with retaining the tax status of life insurance under current law. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 47, Ryan discloses a computerized method for a life insurance product as claimed in claim 44 including funding said life insurance financial product with additional funding premiums; and setting forth, in a schedule, said additional funding premiums, said schedule set forth in a policy established at the time said life insurance financial product is issued. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 48, Ryan discloses wherein funding said life insurance financial product with additional funding premiums as per said schedule includes the step of not establishing insurability of said insured. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 49, Ryan discloses wherein said different financial investment funds or accounts provide earnings and including deducting, from said earnings, the cost of said at-risk insurance amount. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 50, Ryan discloses a wherein subtracting said funding charges

involves subtracting funding charges from the group of funding charges including a premium sales charge, a premium federal tax charge, a premium state tax charge, and premium administrative charge. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 51, Ryan wherein said funding charges are subtracted prior to determining account values and calculating said corresponding cash surrender value. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 52, Ryan discloses a computerized method for a life insurance product as claimed in claim 44 including minimizing said cost of said at-risk insurance amount in order to maximize said cash surrender value for said life insurance financial product. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 53, Ryan discloses including re- allocating said corresponding cash surrender value into other financial investment funds or accounts and thereafter determining account values and the corresponding cash surrender value. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 54, Ryan discloses wherein determining said life insurance base death benefit amount sufficient to retain said life insurance status is correlated with retaining the tax status of life insurance under current law. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 55, Ryan discloses a including funding said life insurance financial product with additional funding premiums; and setting forth, in a schedule, said additional funding premiums, said schedule set forth in a policy established at the time said life insurance financial product is issued. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 56, Ryan discloses wherein funding said life insurance financial product with additional funding premiums as per said schedule includes the step of not establishing insurability of said insured. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 57, Ryan discloses wherein said different financial investment funds or accounts provide earnings and including deducting, from said earnings, the cost of said at-risk insurance amount. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 58, Ryan discloses wherein subtracting said funding charges involves subtracting funding charges from the group of funding charges including a premium sales charge, a premium federal tax charge, a premium state tax charge, and premium administrative charge. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 59, Ryan discloses wherein said funding charges are subtracted prior to determining account values and calculating said corresponding cash surrender value. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 60, Ryan discloses including minimizing said cost of said at-risk insurance amount in order to maximize said cash surrender value for said life insurance financial product. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 61, Ryan including re- allocating said corresponding cash surrender value into other financial investment funds or accounts and thereafter determining account values and the corresponding cash surrender value. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 62, Ryan discloses a computerized method of establishing and

maintaining a financial product as a life insurance product for an insured party
comprising:

processing an initial funding premium for said life insurance financial product;

determining an initial cash surrender value for said life insurance financial product by
accounting for said initial funding premium allocated in one or more investment
accounts(see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-
67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18)

and calculating a corresponding cash surrender value for said life insurance financial
product (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-
67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18)

determining a death benefit amount for said insured as a function of said corresponding
cash surrender value sufficient to retain life insurance status for said life insurance
financial product, said death benefit amount increasing and decreasing based upon said
corresponding cash surrender value; and,

deducting a cost of an at-risk insurance amount corresponding to said death benefit
amount from said corresponding cash surrender value sufficient to retain said life
insurance status. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21
lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

Ryan fail to explicitly teach fluctuation of said investment accounts or on a daily basis,
determining account values.

However However Wolfberg discloses as shown in FIG. 3A, entry into the system
begins with a client's initial investment (100). The initial investment and the periodically
received monthly payments are placed into a high-yield fund at a financial institution
such as a brokerage house or a bank (102). The high-yield fund reflects the pooling of
all client investments into a common investment fund at the financial institution (104).
The prevailing interest rate (i.e., the predetermined rate of return applied to the client
accounts) is periodically fed back to the data processing system (106) (daily weekly or
monthly) so that the processing system can monitor the growth rate of the entire
investment fund and turning now to FIG. 4A, this graph plots the growth of an initial
investment base as a function of years during which an investment is compounding

monthly. FIG. 4A shows graphically how an initial investment will grow based on an 8% rate of return compounded monthly. For example, if the initial investment X.sub.O is $100.00 dollars, at the end of five years the 100.0 dollars will multiply by a factor of 1.49 to mature to 149.00 dollars. At the end of 10 years the 100.00 dollars will be multiplied by a factor of 2.22 to mature into 222.0 etc. The growth factors shown in FIG. 4A, i.e., 1.49 and 2.22, 3.31, and 4.93, remain the same regardless of the amount of the initial investment. Thus, growth factors may be used to determine a projected value for the growth of an account after N years based on any initial investment base X.sub.O. (see column 8 lines 56-68 and column 10 lines 16-31 and column 14 lines 55-63 and column 21 lines 47-52).

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Ryan to include fluctuation of said investment accounts or on a daily basis, determining account values taught by Wolfberg in order to manage and control annuities and distribution of annuities payment.

As per claim 63, Ryan discloses including deducting daily said cost of said at-risk insurance amount. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 64, Ryan discloses including determining said initial cash surrender value after accounting for initial funding charges. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 65, Ryan discloses including accounting for initial funding charges, said initial funding charges being one or more charges from the group of charges including a premium sales charge, a premium federal tax charge, a premium state tax charge, and premium administrative charge. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 66, Ryan discloses wherein said funding charges are subtracted from said initial cash surrender value prior to determining account values and calculating said corresponding cash surrender value. (see column 2 lines 45-65 and column 17 lines 12-

44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 67, Ryan discloses including investing the cash surrender value of the life insurance financial product in one or more financial investment accounts, including different investment funds, and calculating the cash surrender value of the life insurance financial product as a function of gains and losses on said investment accounts and funds. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 68, Ryan discloses wherein determining said death benefit amount is determining a life insurance base death benefit amount sufficient to retain said life insurance status which status correlated with retaining the tax status of life insurance under current law. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 69, Ryan discloses including funding said life insurance financial product with additional funding premiums; and setting forth, in a schedule, said additional funding premiums, said schedule set forth in a policy established at the time said life insurance financial product is issued. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 70, Ryan discloses wherein funding said life insurance financial product with additional funding premiums as per said schedule includes the step of not establishing insurability of said insured. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 71, Ryan discloses wherein said investment accounts provide earnings and including deducting, from said earnings, the cost of said at- risk insurance amount. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 72, Ryan discloses including minimizing said cost of said at-risk insurance amount in order to maximize said cash surrender value for said life insurance

financial product. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 73, Ryan discloses including re- allocating said corresponding cash surrender value into other financial investment funds or accounts and thereafter determining account values and the corresponding cash surrender value. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 74, Ryan discloses including determining said initial cash surrender value after accounting for initial funding charges. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 75, Ryan discloses including accounting for initial funding charges, said initial funding charges being one or more charges from the group of charges including a premium sales charge, a premium federal tax charge, a premium state tax charge, and premium administrative charge. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 76, Ryan discloses wherein said funding charges are subtracted from said initial cash surrender value prior to determining account values and calculating said corresponding cash surrender value. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 77, Ryan discloses including investing the cash surrender value of the life insurance financial product in one or more financial investment accounts, including different investment funds, and calculating the cash surrender value of the life insurance financial product as a function of gains and losses on said investment accounts and funds. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 78, Ryan discloses wherein determining said death benefit amount is determining a life insurance base death benefit amount sufficient to retain said life

insurance status which status correlated with retaining the tax status of life insurance under current law. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 79, Ryan discloses including funding said life insurance financial product with additional funding premiums; and setting forth, in a schedule, said additional funding premiums, said schedule set forth in a policy established at the time said life insurance financial product is issued. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 80, Ryan discloses wherein funding said life insurance financial product with additional funding premiums as per said schedule includes the step of not establishing insurability of said insured. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 81, Ryan discloses wherein said investment accounts provide earnings and including deducting, from said earnings, the cost of said at- risk insurance amount. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 82, Ryan discloses including minimizing said cost of said at-risk insurance amount in order to maximize said cash surrender value for said life insurance financial product. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 83, Ryan discloses including re- allocating said corresponding cash surrender value into other financial investment funds or accounts and thereafter determining account values and the corresponding cash surrender value. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 84, Ryan discloses a computerized method of establishing and maintaining a financial product as a life insurance product for an insured party comprising:

processing an funding initial funding premium for said life insurance financial product;

determining an initial cash surrender value for said life insurance financial product by accounting for said initial funding premium allocated in one or more investment accounts;

for said investment accounts and calculating a corresponding cash surrender value for said life insurance financial product;

determining a death benefit amount for said insured as a function of said corresponding cash surrender value sufficient to retain life insurance status for said life insurance financial product, said death benefit amount increasing and decreasing based upon said corresponding cash surrender value; and,

deducting a cost of an at-risk insurance amount corresponding to said death benefit amount from said corresponding cash surrender value sufficient to retain said life insurance status.

Ryan fail to explicitly teach upon fluctuation of said investment accounts or on a daily basis, determining account values.

However However Wolfberg discloses as shown in FIG. 3A, entry into the system begins with a client's initial investment (100). The initial investment and the periodically received monthly payments are placed into a high-yield fund at a financial institution such as a brokerage house or a bank (102). The high-yield fund reflects the pooling of all client investments into a common investment fund at the financial institution (104). The prevailing interest rate (i.e., the predetermined rate of return applied to the client accounts) is periodically fed back to the data processing system (106) (daily weekly or monthly) so that the processing system can monitor the growth rate of the entire investment fund and turning now to FIG. 4A, this graph plots the growth of an initial investment base as a function of years during which an investment is compounding monthly. FIG. 4A shows graphically how an initial investment will grow based on an 8% rate of return compounded monthly. For example, if the initial investment $X.sub.O$ is $100.00 dollars, at the end of five years the 100.0 dollars will multiply by a factor of 1.49 to mature to 149.00 dollars. At the end of 10 years the 100.00 dollars will be multiplied by a factor of 2.22 to mature into 222.0 etc. The growth factors shown in FIG. 4A, i.e.,

1.49 and 2.22, 3.31, and 4.93, remain the same regardless of the amount of the initial investment. Thus, growth factors may be used to determine a projected value for the growth of an account after N years based on any initial investment base X.sub.O. (see column 8 lines 56-68 and column 10 lines 16-31 and column 14 lines 55-63 and column 21 lines 47-52).

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Ryan to include fluctuation of said investment accounts or on a daily basis, determining account values taught by Wolfberg in order to manage and control annuities and distribution of annuities payment.

As per claim 85, Ryan discloses wherein determining said death benefit amount involves determining a life insurance base death benefit amount for said insured as a function of said corresponding cash surrender value sufficient to retain life insurance status under a net single premium method based on age declining ratio to cash value amount for said life insurance financial product and age of the insured and his/her risk classification and smoking status, said life insurance base death benefit amount increasing and decreasing based upon said corresponding cash surrender value. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 86, Ryan discloses including deducting daily, or upon said fluctuation of said investment accounts, said cost of said at-risk insurance amount. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 87, Ryan discloses including determining said initial cash surrender value after accounting for initial funding charges. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 88, Ryan discloses including accounting for initial funding charges, said initial funding charges being one or more charges from the group of charges including a premium sales charge, a premium federal tax charge, a premium state tax charge, and premium administrative charge. (see column 2 lines 45-65 and column 17

lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 89, Ryan discloses wherein said funding charges are subtracted from said initial cash surrender value prior to determining account values and calculating said corresponding cash surrender value. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 90, Ryan discloses including investing the cash surrender value of the life insurance financial product in one or more financial investment accounts, including different investment funds, and calculating the cash surrender value of the life insurance financial product as a function of gains and losses on said investment accounts and funds. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 91, Ryan discloses wherein determining said death benefit amount is determining a life insurance base death benefit amount sufficient to retain said life insurance status which status correlated with retaining the tax status of life insurance under current law. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 92, Ryan discloses including funding said life insurance financial product with additional funding premiums; and setting forth, in a schedule, said additional funding premiums, said schedule set forth in a policy established at the time said life insurance financial product is issued. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 93, Ryan discloses wherein funding said life insurance financial product with additional funding premiums as per said schedule includes the step of not establishing insurability of said insured. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 94, Ryan discloses wherein said investment accounts provide

earnings and including deducting, from said earnings, the cost of said at- risk insurance amount. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 95, Ryan discloses including minimizing said cost of said at-risk insurance amount in order to maximize said cash surrender value for said life insurance financial product. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 96, Ryan discloses including re- allocating said corresponding cash surrender value into other financial investment funds or accounts and thereafter determining account values and the corresponding cash surrender value. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 97, Ryan discloses a computerized method of establishing and maintaining a financial product as a life insurance product for an insured party comprising:

processing an initial funding premium for said life insurance financial product with;

determining an initial cash surrender value for said life insurance financial product by accounting for said initial funding premium allocated in one or more investment accounts(see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18)

minimizing life insurance costs by:

calculating a corresponding cash surrender value for said life insurance financial product(see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18)

determining daily a minimum amount of life insurance death benefit for said insured as a function of said corresponding cash surrender value, said minimum life insurance with death benefit being that minimum required to maintain said life insurance financial product as life insurance and said death benefit amount increasing and decreasing based upon said corresponding cash surrender value(see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-

67 and column 37 lines 1-18) deducting a cost of an at-risk insurance amount corresponding to said death benefit amount from said corresponding cash surrender value sufficient to retain life insurance status for said life insurance financial product. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

Ryan fail to explicitly teach determining daily account values for said investment accounts.

However However Wolfberg discloses as shown in FIG. 3A, entry into the system begins with a client's initial investment (100). The initial investment and the periodically received monthly payments are placed into a high-yield fund at a financial institution such as a brokerage house or a bank (102). The high-yield fund reflects the pooling of all client investments into a common investment fund at the financial institution (104). The prevailing interest rate (i.e., the predetermined rate of return applied to the client accounts) is periodically fed back to the data processing system (106) (daily weekly or monthly) so that the processing system can monitor the growth rate of the entire investment fund and turning now to FIG. 4A, this graph plots the growth of an initial investment base as a function of years during which an investment is compounding monthly. FIG. 4A shows graphically how an initial investment will grow based on an 8% rate of return compounded monthly. For example, if the initial investment $X.sub.O$ is $100.00 dollars, at the end of five years the 100.0 dollars will multiply by a factor of 1.49 to mature to 149.00 dollars. At the end of 10 years the 100.00 dollars will be multiplied by a factor of 2.22 to mature into 222.0 etc. The growth factors shown in FIG. 4A, i.e., 1.49 and 2.22, 3.31, and 4.93, remain the same regardless of the amount of the initial investment. Thus, growth factors may be used to determine a projected value for the growth of an account after N years based on any initial investment base $X.sub.O$. (see column 8 lines 56-68 and column 10 lines 16-31 and column 14 lines 55-63 and column 21 lines 47-52).

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Ryan to include determining daily

account values for said investment accounts taught by Wolfberg in order to manage and
control annuities and distribution of annuities payment.

As per claim 98, Ryan discloses wherein said minimum life with death benefit
being that minimum required to maintain said life insurance financial product as life
insurance is based upon said daily cash surrender value and an age declining ratio to
cash value amount for said life insurance financial product. (see column 2 lines 45-65
and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines
60-67 and column 37 lines 1-18).

As per claim 99, Ryan discloses including deducting daily said cost of said at-risk
insurance amount. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21
lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 100, Ryan discloses including determining said initial cash surrender
value after accounting for initial funding charges. (see column 2 lines 45-65 and column
17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and
column 37 lines 1-18).

As per claim 101, Ryan discloses including accounting for initial funding charges,
said initial funding charges being one or more charges from the group of charges
including a premium sales charge, a premium federal tax charge, a premium state tax
charge, and premium administrative charge. (see column 2 lines 45-65 and column 17
lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and
column 37 lines 1-18).

As per claim 102, Ryan discloses wherein said funding charges are subtracted
from said initial cash surrender value prior to determining account values and
calculating said corresponding cash surrender value. (see column 2 lines 45-65 and
column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-
67 and column 37 lines 1-18).

As per claim 103, Ryan discloses including investing the cash surrender value of
the life insurance financial product in one or more financial investment accounts,
including different investment funds, and calculating the cash surrender value of the life
insurance financial product as a function of gains and losses on said investment

accounts and funds. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 104, Ryan discloses wherein determining said life insurance death benefit amount is determining a life insurance base death benefit amount sufficient to retain said life insurance status which status correlated with retaining the tax status of life insurance under current law. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 105, Ryan discloses including funding said life insurance financial product with additional funding premiums; and setting forth, in a schedule, said additional funding premiums, said schedule set forth in a policy established at the time said life insurance financial product is issued. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 106, Ryan discloses wherein funding said life insurance financial product with additional funding premiums as per said schedule includes the step of not establishing insurability of said insured. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 107, Ryan discloses wherein said investment accounts provide earnings and including deducting, from said earnings, the cost of said at- risk insurance amount. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 108, Ryan including re- allocating said corresponding cash surrender value into other financial investment funds or accounts and thereafter determining account values and the corresponding cash surrender value. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 109, Ryan discloses a computer readable medium containing programming instructions for establishing and maintaining a financial product as a life

insurance product for an insured party, the programming instructions comprising:

processing an initial funding premium for said life insurance financial product;

subtracting funding charges from said initial funding premium and determining an initial cash surrender value for said life insurance financial product thereafter;

allocating said initial funding premium to one or more sub-accounts of different financial investment funds or accounts(see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18) calculating a corresponding cash surrender value for said life insurance financial product(see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18)

determining a life insurance base death benefit amount for said insured as a function of said corresponding cash surrender value sufficient to retain life insurance status under a net single premium method based on age declining ratio to cash value amount for said life insurance financial product and age of the insured and his/her risk classification and smoking status, said life insurance base death benefit amount increasing and decreasing based upon said corresponding cash surrender value; and,

deducting daily a cost of an at-risk insurance amount corresponding to said death benefit amount from said corresponding cash surrender value sufficient to retain life insurance status for said life insurance financial product. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

Ryan fail to explicitly teach on a daily basis, determining account values for said different funds and accounts.

However However Wolfberg discloses as shown in FIG. 3A, entry into the system begins with a client's initial investment (100). The initial investment and the periodically received monthly payments are placed into a high-yield fund at a financial institution such as a brokerage house or a bank (102). The high-yield fund reflects the pooling of all client investments into a common investment fund at the financial institution (104). The prevailing interest rate (i.e., the predetermined rate of return applied to the client accounts) is periodically fed back to the data processing system (106) (daily weekly or

monthly) so that the processing system can monitor the growth rate of the entire investment fund and turning now to FIG. 4A, this graph plots the growth of an initial investment base as a function of years during which an investment is compounding monthly. FIG. 4A shows graphically how an initial investment will grow based on an 8% rate of return compounded monthly. For example, if the initial investment X.sub.O is $100.00 dollars, at the end of five years the 100.0 dollars will multiply by a factor of 1.49 to mature to 149.00 dollars. At the end of 10 years the 100.00 dollars will be multiplied by a factor of 2.22 to mature into 222.0 etc. The growth factors shown in FIG. 4A, i.e., 1.49 and 2.22, 3.31, and 4.93, remain the same regardless of the amount of the initial investment. Thus, growth factors may be used to determine a projected value for the growth of an account after N years based on any initial investment base X.sub.O. (see column 8 lines 56-68 and column 10 lines 16-31 and column 14 lines 55-63 and column 21 lines 47-52).

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Ryan to include teach on a daily basis, determining account values for said different funds and accounts taught by Wolfberg in order to manage and control annuities and distribution of annuities payment.

As per claim 110, Ryan discloses wherein the instructions define funding of said life insurance financial product therein, effect subtraction of said funding charges and effect deduction of said cost of said at-risk insurance amount. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 111, Ryan discloses wherein determining said life insurance base death benefit amount sufficient to retain said life insurance status is correlated with retaining the tax status of life insurance under current law. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 112, Ryan discloses including funding said life insurance financial product with additional funding premiums; and setting forth, in a schedule, said additional funding premiums, said schedule set forth in a policy established at the time

said life insurance financial product is issued. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 113, Ryan discloses wherein funding said life insurance financial product with additional funding premiums as per said schedule includes the step of not establishing insurability of said insured. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 114, Ryan discloses wherein said different financial investment funds or accounts provide earnings and including deducting, from said earnings, the cost of said at-risk insurance amount. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 115, Ryan discloses wherein subtracting said funding charges involves subtracting funding charges from the group of funding charges including a premium sales charge, a premium federal tax charge, a premium state tax charge, and premium administrative charge. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 116, Ryan discloses wherein said funding charges are subtracted prior to determining account values and calculating said corresponding cash surrender value. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 117, Ryan discloses including minimizing said cost of said at-risk insurance amount in order to maximize said cash surrender value for said life insurance financial product. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 118, Ryan discloses including re-allocating said corresponding cash surrender value into other financial investment funds or accounts and thereafter determining account values and the corresponding cash surrender value. (see column 2

lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 119, Ryan discloses wherein determining said life insurance base death benefit amount sufficient to retain said life insurance status is correlated with retaining the tax status of life insurance under current law. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 120, Ryan discloses a computer readable medium containing programming instructions for establishing and maintaining a financial product as a life insurance product for an insured party, the programming instructions comprising: processing an initial funding premium for said life insurance financial product; determining an initial cash surrender value for said life insurance financial product by accounting for said initial funding premium allocated in one or more investment accounts(see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18) calculating a corresponding cash surrender value for said life insurance financial product; (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18) determining a death benefit amount for said insured as a function of said corresponding cash surrender value sufficient to retain life insurance status for said life insurance financial product, said death benefit amount increasing and decreasing based upon said corresponding cash surrender value; and, deducting a cost of an at-risk insurance amount corresponding to said death benefit amount from said corresponding cash surrender value sufficient to retain said life insurance status. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).
Ryan fail to explicitly teach determining daily account values for said investment accounts.
However However Wolfberg discloses as shown in FIG. 3A, entry into the system begins with a client's initial investment (100). The initial investment and the periodically

received monthly payments are placed into a high-yield fund at a financial institution such as a brokerage house or a bank (102). The high-yield fund reflects the pooling of all client investments into a common investment fund at the financial institution (104). The prevailing interest rate (i.e., the predetermined rate of return applied to the client accounts) is periodically fed back to the data processing system (106) (daily weekly or monthly) so that the processing system can monitor the growth rate of the entire investment fund and turning now to FIG. 4A, this graph plots the growth of an initial investment base as a function of years during which an investment is compounding monthly. FIG. 4A shows graphically how an initial investment will grow based on an 8% rate of return compounded monthly. For example, if the initial investment X.sub.O is $100.00 dollars, at the end of five years the 100.0 dollars will multiply by a factor of 1.49 to mature to 149.00 dollars. At the end of 10 years the 100.00 dollars will be multiplied by a factor of 2.22 to mature into 222.0 etc. The growth factors shown in FIG. 4A, i.e., 1.49 and 2.22, 3.31, and 4.93, remain the same regardless of the amount of the initial investment. Thus, growth factors may be used to determine a projected value for the growth of an account after N years based on any initial investment base X.sub.O. (see column 8 lines 56-68 and column 10 lines 16-31 and column 14 lines 55-63 and column 21 lines 47-52).

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Ryan to include on a daily basis, determining account values for said different funds and accounts taught by Wolfberg in order to manage and control annuities and distribution of annuities payment.

As per claim 121, Ryan discloses including deducting daily said cost of said at-risk insurance amount. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 122, Ryan discloses including determining said initial cash surrender value after accounting for initial funding charges. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 123, Ryan discloses including accounting for initial funding charges, said initial funding charges being one or more charges from the group of charges including a premium sales charge, a premium federal tax charge, a premium state tax charge, and premium administrative charge. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 124, Ryan discloses wherein said funding charges are subtracted from said initial cash surrender value prior to determining account values and calculating said corresponding cash surrender value. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 125, Ryan discloses including investing the cash surrender value of the life insurance financial product in one or more financial investment accounts, including different investment funds, and calculating the cash surrender value of the life insurance financial product as a function of gains and losses on said investment accounts and funds. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 126, Ryan discloses wherein determining said death benefit amount is determining a life insurance base death benefit amount sufficient to retain said life insurance status which status correlated with retaining the tax status of life insurance under current law. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 127, Ryan discloses including funding said life insurance financial product with additional funding premiums; and setting forth, in a schedule, said additional funding premiums, said schedule set forth in a policy established at the time said life insurance financial product is issued. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 128, Ryan discloses wherein funding said life insurance financial product with additional funding premiums as per said schedule includes the step of not

establishing insurability of said insured. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 129, Ryan discloses wherein said investment accounts provide earnings and including deducting, from said earnings, the cost of said at-risk insurance amount. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 130, Ryan discloses including minimizing said cost of said at-risk insurance amount in order to maximize said cash surrender value for said life insurance financial product. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 131, Ryan discloses including re-allocating said corresponding cash surrender value into other financial investment funds or accounts and thereafter determining account values and the corresponding cash surrender value. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 132, Ryan discloses including determining said initial cash surrender value after accounting for initial funding charges. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 133, Ryan discloses a computer readable medium containing programming instructions for establishing and maintaining a financial product as a life insurance product for an insured party, the programming instructions comprising: processing an funding initial funding premium for said life insurance financial product; determining an initial cash surrender value for said life insurance financial product by accounting for said initial funding premium allocated in one or more investment accounts(see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18)
investment accounts and calculating a corresponding cash surrender value for said life insurance financial product;

determining a death benefit amount for said insured as a function of said corresponding

cash surrender value sufficient to retain life insurance status for said life insurance

financial product, said death benefit amount increasing and decreasing based upon said

corresponding cash surrender value(see column 2 lines 45-65 and column 17 lines 12-

44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37

lines 1-18) and deducting a cost of an at-risk insurance amount corresponding to said

death benefit amount from said corresponding cash surrender value sufficient to retain

said life insurance status. (see column 2 lines 45-65 and column 17 lines 12-44 and

column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-

18).

Ryan fail to explicitly teach upon fluctuation of said investment accounts or on a daily

basis, determining account values.

However Wolfberg discloses as shown in FIG. 3A, entry into the system begins with a

client's initial investment (100). The initial investment and the periodically received

monthly payments are placed into a high-yield fund at a financial institution such as a

brokerage house or a bank (102). The high-yield fund reflects the pooling of all client

investments into a common investment fund at the financial institution (104). The

prevailing interest rate (i.e., the predetermined rate of return applied to the client

accounts) is periodically fed back to the data processing system (106) (daily weekly or

monthly) so that the processing system can monitor the growth rate of the entire

investment fund and turning now to FIG. 4A, this graph plots the growth of an initial

investment base as a function of years during which an investment is compounding

monthly. FIG. 4A shows graphically how an initial investment will grow based on an 8%

rate of return compounded monthly. For example, if the initial investment $X.sub.O$ is

$100.00 dollars, at the end of five years the 100.0 dollars will multiply by a factor of 1.49

to mature to 149.00 dollars. At the end of 10 years the 100.00 dollars will be multiplied

by a factor of 2.22 to mature into 222.0 etc. The growth factors shown in FIG. 4A, i.e.,

1.49 and 2.22, 3.31, and 4.93, remain the same regardless of the amount of the initial

investment. Thus, growth factors may be used to determine a projected value for the

growth of an account after N years based on any initial investment base $X.sub.O$. (see

column 8 lines 56-68 and column 10 lines 16-31 and column 14 lines 55-63 and column 21 lines 47-52).

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Ryan to include upon fluctuation of said investment accounts or on a daily basis, determining account values taught by Wolfberg in order to manage and control annuities and distribution of annuities payment.

As per claim 134, Ryan discloses wherein determining said death benefit amount involves determining a life insurance base death benefit amount for said insured as a function of said corresponding cash surrender value sufficient to retain life insurance status under a net single premium method based on age declining ratio to cash value amount for said life insurance financial product and age of the insured and his/her risk classification and smoking status, said life insurance base death benefit amount increasing and decreasing based upon said corresponding cash surrender value. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 135, Ryan discloses including deducting daily, or upon said fluctuation of said investment accounts, said cost of said at-risk insurance amount. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 136, Ryan discloses including determining said initial cash surrender value after accounting for initial funding charges. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 137, Ryan discloses including accounting for initial funding charges, said initial funding charges being one or more charges from the group of charges including a premium sales charge, a premium federal tax charge, a premium state tax charge, and premium administrative charge. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 138, Ryan discloses wherein said funding charges are subtracted from said initial cash surrender value prior to determining account values and calculating said corresponding cash surrender value. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 139, Ryan discloses including investing the cash surrender value of the life insurance financial product in one or more financial investment accounts, including different investment funds, and calculating the cash surrender value of the life insurance financial product as a function of gains and losses on said investment accounts and funds. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 140, Ryan discloses wherein determining said death benefit amount is determining a life insurance base death benefit amount sufficient to retain said life insurance status which status correlated with retaining the tax status of life insurance under current law. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 141, Ryan discloses including funding said life insurance financial product with additional funding premiums; and setting forth, in a schedule, said additional funding premiums, said schedule set forth in a policy established at the time said life insurance financial product is issued. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 142, Ryan discloses wherein funding said life insurance financial product with additional funding premiums as per said schedule includes the step of not establishing insurability of said insured. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 143, Ryan discloses wherein said investment accounts provide earnings and including deducting, from said earnings, the cost of said at-risk insurance amount. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-

67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 144, Ryan discloses including minimizing said cost of said at-risk insurance amount in order to maximize said cash surrender value for said life insurance financial product. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 145, Ryan discloses including re-allocating said corresponding cash surrender value into other financial investment funds or accounts and thereafter determining account values and the corresponding cash surrender value. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 146, Ryan discloses a computer readable medium containing programming instructions for establishing and maintaining a financial product as a life insurance product for an insured party, the programming instructions comprising: processing an initial funding premium for said life insurance financial product with; determining an initial cash surrender value for said life insurance financial product by accounting for said initial funding premium allocated in one or more investment accounts; minimizing life insurance costs by: (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18) calculating a corresponding cash surrender value for said life insurance financial product(see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18) determining daily a minimum amount of life insurance death benefit for said insured as a function of said corresponding cash surrender value, said minimum life insurance with death benefit being that minimum required to maintain said life insurance financial product as life insurance and said death benefit amount increasing and decreasing based upon said corresponding cash surrender value;

deducting a cost of an at-risk insurance amount corresponding to said death benefit amount from said corresponding cash surrender value sufficient to retain life insurance status for said life insurance financial product. (see column 2 lines 45-65 and column 17

lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18)

Ryan fail to explicitly teach determining daily account values for said investment accounts.

However Wolfberg discloses as shown in FIG. 3A, entry into the system begins with a client's initial investment (100). The initial investment and the periodically received monthly payments are placed into a high-yield fund at a financial institution such as a brokerage house or a bank (102). The high-yield fund reflects the pooling of all client investments into a common investment fund at the financial institution (104). The prevailing interest rate (i.e., the predetermined rate of return applied to the client accounts) is periodically fed back to the data processing system (106) (daily weekly or monthly) so that the processing system can monitor the growth rate of the entire investment fund and turning now to FIG. 4A, this graph plots the growth of an initial investment base as a function of years during which an investment is compounding monthly. FIG. 4A shows graphically how an initial investment will grow based on an 8% rate of return compounded monthly. For example, if the initial investment $X.sub.O$ is $100.00 dollars, at the end of five years the 100.0 dollars will multiply by a factor of 1.49 to mature to 149.00 dollars. At the end of 10 years the 100.00 dollars will be multiplied by a factor of 2.22 to mature into 222.0 etc. The growth factors shown in FIG. 4A, i.e., 1.49 and 2.22, 3.31, and 4.93, remain the same regardless of the amount of the initial investment. Thus, growth factors may be used to determine a projected value for the growth of an account after N years based on any initial investment base $X.sub.O$. (see column 8 lines 56-68 and column 10 lines 16-31 and column 14 lines 55-63 and column 21 lines 47-52).

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Ryan to include determining daily account values for said investment accounts and taught by Wolfberg in order to manage and control annuities and distribution of annuities payment.

As per claim 147, Ryan discloses wherein said minimum life with death benefit being that minimum required to maintain said life insurance financial product as life

insurance is based upon said daily cash surrender value and an age declining ratio to cash value amount for said life insurance financial product. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 148, Ryan discloses including deducting daily said cost of said at-risk insurance amount. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 149, Ryan discloses including determining said initial cash surrender value after accounting for initial funding charges. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 150, Ryan discloses including accounting for initial funding charges, said initial funding charges being one or more charges from the group of charges including a premium sales charge, a premium federal tax charge, a premium state tax charge, and premium administrative charge. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 151, Ryan discloses wherein said funding charges are subtracted from said initial cash surrender value prior to determining account values and calculating said corresponding cash surrender value. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 152, Ryan discloses including investing the cash surrender value of the life insurance financial product in one or more financial investment accounts, including different investment funds, and calculating the cash surrender value of the life insurance financial product as a function of gains and losses on said investment accounts and funds. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 1533, Ryan discloses wherein determining said life insurance death benefit amount is determining a life insurance base death benefit amount sufficient to

retain said life insurance status which status correlated with retaining the tax status of life insurance under current law. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 154, Ryan discloses including funding said life insurance financial product with additional funding premiums; and setting forth, in a schedule, said additional funding premiums, said schedule set forth in a policy established at the time said life insurance financial product is issued. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 155, Ryan discloses wherein funding said life insurance financial product with additional funding premiums as per said schedule includes the step of not establishing insurability of said insured. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 156, Ryan discloses wherein said investment accounts provide earnings and including deducting, from said earnings, the cost of said at-risk insurance amount. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 157, Ryan discloses including re-allocating said corresponding cash surrender value into other financial investment funds or accounts and thereafter determining account values and the corresponding cash surrender value. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 158, Ryan discloses a computer system with functional modules for establishing and maintaining a financial product as a life insurance product for an insured party comprising:

means for processing an initial funding premium for said life insurance financial product;
means, coupled to said means for processing, for subtracting funding charges from said initial funding premium and determining an initial cash surrender value for said life

insurance financial product thereafter(see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18)

means for allocating said initial funding premium to one or more sub-accounts of different financial investment funds or accounts;

accounts and calculating a corresponding cash surrender value for said life insurance financial product(see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18)

means for determining a life insurance base death benefit amount for said insured as a function of said corresponding cash surrender value sufficient to retain life insurance status under a net single premium method based on age declining ratio to cash value amount for said life insurance financial product and age of the insured and his/her risk classification and smoking status, said life insurance base death benefit amount increasing and decreasing based upon said corresponding cash surrender value; and,

means for deducting daily a cost of an at-risk insurance amount corresponding to said death benefit amount from said corresponding cash surrender value sufficient to retain life insurance status for said life insurance financial product. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18)

Ryan fail to explicitly teach means for determining account values, on a daily basis, for said different funds.

However Wolfberg discloses as shown in FIG. 3A, entry into the system begins with a client's initial investment (100). The initial investment and the periodically received monthly payments are placed into a high-yield fund at a financial institution such as a brokerage house or a bank (102). The high-yield fund reflects the pooling of all client investments into a common investment fund at the financial institution (104). The prevailing interest rate (i.e., the predetermined rate of return applied to the client accounts) is periodically fed back to the data processing system (106) (daily weekly or monthly) so that the processing system can monitor the growth rate of the entire investment fund and turning now to FIG. 4A, this graph plots the growth of an initial

investment base as a function of years during which an investment is compounding monthly. FIG. 4A shows graphically how an initial investment will grow based on an 8% rate of return compounded monthly. For example, if the initial investment $X.sub.O$ is $100.00 dollars, at the end of five years the 100.0 dollars will multiply by a factor of 1.49 to mature to 149.00 dollars. At the end of 10 years the 100.00 dollars will be multiplied by a factor of 2.22 to mature into 222.0 etc. The growth factors shown in FIG. 4A, i.e., 1.49 and 2.22, 3.31, and 4.93, remain the same regardless of the amount of the initial investment. Thus, growth factors may be used to determine a projected value for the growth of an account after N years based on any initial investment base $X.sub.O$. (see column 8 lines 56-68 and column 10 lines 16-31 and column 14 lines 55-63 and column 21 lines 47-52).

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Ryan to include means for determining account values, on a daily basis, for said different funds taught by Wolfberg in order to manage and control annuities and distribution of annuities payment.

As per claim 159, Ryan discloses wherein said means for determining said life insurance base death benefit amount sufficient to retain said life insurance status is correlated with means for retaining the tax status of life insurance under current law. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 160, Ryan discloses 160. A computer system with functional modules for a life insurance product as claimed in claim 158 wherein said life insurance financial product is funded with additional funding premiums; said means for processing accounting for said additional funding premiums and the system includes functional module means for setting forth, in a schedule, said additional funding premiums, said schedule set forth in a policy established at the time said life insurance financial product is issued. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58- 67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 161, Ryan discloses wherein said different financial investment funds or accounts provide earnings and the system including means for deducting, from said

earnings, the cost of said at-risk insurance amount. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 162, Ryan discloses wherein said means for subtracting said funding charges involves subtracting funding charges from the group of funding charges including a premium sales charge, a premium federal tax charge, a premium state tax charge, and premium administrative charge. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 163, Ryan discloses wherein said means for subtracting subtracts funding charges prior to determining account values and calculating said corresponding cash surrender value. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 164, Ryan discloses including means for minimizing said cost of said at-risk insurance amount and means for maximizing said cash surrender value for said life insurance financial product. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 165, Ryan discloses including means for re- allocating said corresponding cash surrender value into other financial investment funds or accounts and said means for determining account values thereafter determining account values and the corresponding cash surrender value. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 166, Ryan discloses wherein said means for determining said life insurance base death benefit amount sufficient to retain said life insurance status is correlated with means for retaining the tax status of life insurance under current law. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 167, Ryan discloses a computer system with functional modules for establishing and maintaining a financial product as a life insurance product for an insured party comprising:

means for processing an initial funding premium for said life insurance financial product;

means, coupled to said means for processing, for determining an initial cash surrender value for said life insurance financial product by accounting for said initial funding premium allocated in one or more investment accounts(see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18)

means for determining daily account values for said investment accounts and calculating a corresponding cash surrender value for said life insurance financial product;

means for determining a death benefit amount for said insured as a function of said corresponding cash surrender value sufficient to retain life insurance status for said life insurance financial product, said death benefit amount increasing and decreasing based upon said corresponding cash surrender value(see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18) and means for deducting a cost of an at-risk insurance amount corresponding to said death benefit amount from said corresponding cash surrender value sufficient to retain said life insurance status. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

Ryan fail to explicitly teach means for determining daily account values for said investment accounts.

However Wolfberg discloses as shown in FIG. 3A, entry into the system begins with a client's initial investment (100). The initial investment and the periodically received monthly payments are placed into a high-yield fund at a financial institution such as a brokerage house or a bank (102). The high-yield fund reflects the pooling of all client investments into a common investment fund at the financial institution (104). The prevailing interest rate (i.e., the predetermined rate of return applied to the client

accounts) is periodically fed back to the data processing system (106) (daily weekly or monthly) so that the processing system can monitor the growth rate of the entire investment fund and turning now to FIG. 4A, this graph plots the growth of an initial investment base as a function of years during which an investment is compounding monthly. FIG. 4A shows graphically how an initial investment will grow based on an 8% rate of return compounded monthly. For example, if the initial investment X.sub.O is $100.00 dollars, at the end of five years the 100.0 dollars will multiply by a factor of 1.49 to mature to 149.00 dollars. At the end of 10 years the 100.00 dollars will be multiplied by a factor of 2.22 to mature into 222.0 etc. The growth factors shown in FIG. 4A, i.e., 1.49 and 2.22, 3.31, and 4.93, remain the same regardless of the amount of the initial investment. Thus, growth factors may be used to determine a projected value for the growth of an account after N years based on any initial investment base X.sub.O. (see column 8 lines 56-68 and column 10 lines 16-31 and column 14 lines 55-63 and column 21 lines 47-52).

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Ryan to include means for determining daily account values for said investment accounts taught by Wolfberg in order to manage and control annuities and distribution of annuities payment.

As per claim 168, Ryan discloses wherein said means for deducting deducts daily said cost of said at-risk insurance amount. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 169, Ryan discloses wherein said means for determining determines said initial cash surrender value after accounting for initial funding charges. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 170, Ryan discloses including means for accounting for initial funding charges, said initial funding charges being one or more charges from the group of charges including a premium sales charge, a premium federal tax charge, a premium state tax charge, and premium administrative charge. (see column 2 lines 45-65 and

column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 1713, Ryan discloses wherein said funding charges are subtracted from said initial cash surrender value prior to determining account values and calculating said corresponding cash surrender value. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 172, Ryan discloses including means for investing the cash surrender value of the life insurance financial product in one or more financial investment accounts, including different investment funds, and means for calculating the cash surrender value of the life insurance financial product as a function of gains and losses on said investment accounts and funds. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 173, Ryan discloses wherein said means for determining said death benefit amount determines a life insurance base death benefit amount sufficient to retain said life insurance status which status is correlated with retaining the tax status of life insurance under current law. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 174, Ryan discloses wherein said life insurance financial product is funded with additional funding premiums, said means for processing accounting for said additional funding premiums; and including means for setting forth, in a schedule, said additional funding premiums, said schedule set forth in a policy established at the time said life insurance financial product is issued. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 175, Ryan discloses including means for accounting for earnings provided by said investment accounts and the system includes means for deducting, from said earnings, the cost of said at-risk insurance amount. (see column 2 lines 45-65

and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 176, Ryan discloses including means for minimizing said cost of said at-risk insurance amount and means for maximizing said cash surrender value for said life insurance financial product. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 177, Ryan discloses including means for re-allocating said corresponding cash surrender value into other financial investment funds or accounts and said means for determining account values thereafter determines said account values and the corresponding cash surrender value. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 1783, Ryan discloses wherein said means for determining said initial cash surrender value determines said initial cash surrender value after accounting for initial funding charges. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 179, Ryan discloses a computer system with functional modules for establishing and maintaining a financial product as a life insurance product for an insured party comprising:

means for processing an funding initial funding premium for said life insurance financial product;

means, coupled to said means for processing, for determining an initial cash surrender value for said life insurance financial product by accounting for said initial funding premium allocated in one or more investment accounts(see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18)

for said investment accounts and for calculating a corresponding cash surrender value for said life insurance financial product(see column 2 lines 45-65 and column 17 lines

12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column
37 lines 1-18)

means for determining a death benefit amount for said insured as a function of said
corresponding cash surrender value sufficient to retain life insurance status for said life
insurance financial product, said death benefit amount increasing and decreasing based
upon said corresponding cash surrender value; and,

means for deducting a cost of an at-risk insurance amount corresponding to said death
benefit amount from said corresponding cash surrender value sufficient to retain said
life insurance status. (see column 2 lines 45-65 and column 17 lines 12-44 and column
21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

Ryan fail to explicitly teach means for determining account values, upon fluctuation of
said investment accounts or on a daily basis.

However Wolfberg discloses as shown in FIG. 3A, entry into the system begins with a
client's initial investment (100). The initial investment and the periodically received
monthly payments are placed into a high-yield fund at a financial institution such as a
brokerage house or a bank (102). The high-yield fund reflects the pooling of all client
investments into a common investment fund at the financial institution (104). The
prevailing interest rate (i.e., the predetermined rate of return applied to the client
accounts) is periodically fed back to the data processing system (106) (daily weekly or
monthly) so that the processing system can monitor the growth rate of the entire
investment fund and turning now to FIG. 4A, this graph plots the growth of an initial
investment base as a function of years during which an investment is compounding
monthly. FIG. 4A shows graphically how an initial investment will grow based on an 8%
rate of return compounded monthly. For example, if the initial investment $X.sub.O$ is
$100.00 dollars, at the end of five years the 100.0 dollars will multiply by a factor of 1.49
to mature to 149.00 dollars. At the end of 10 years the 100.00 dollars will be multiplied
by a factor of 2.22 to mature into 222.0 etc. The growth factors shown in FIG. 4A, i.e.,
1.49 and 2.22, 3.31, and 4.93, remain the same regardless of the amount of the initial
investment. Thus, growth factors may be used to determine a projected value for the
growth of an account after N years based on any initial investment base $X.sub.O$. (see

column 8 lines 56-68 and column 10 lines 16-31 and column 14 lines 55-63 and column 21 lines 47-52).

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Ryan to include means for determining account values, upon fluctuation of said investment accounts or on a daily basis taught by Wolfberg in order to manage and control annuities and distribution of annuities payment.

As per claim 180, Ryan discloses wherein said means for determining said death benefit amount involves determining a life insurance base death benefit amount for said insured as a function of said corresponding cash surrender value sufficient to retain life insurance status under a net single premium method based on age declining ratio to cash value amount for said life insurance financial product and age of the insured and his/her risk classification and smoking status, said life insurance base death benefit amount increasing and decreasing based upon said corresponding cash surrender value. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 181, Ryan discloses wherein said means for determining account values, includes means for deducting daily, or upon said fluctuation of said investment accounts, said cost of said at-risk insurance amount. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 182, Ryan discloses including means for determining said initial cash surrender value after accounting for initial funding charges. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 183, Ryan discloses including means for accounting for initial funding charges, said initial funding charges being one or more charges from the group of charges including a premium sales charge, a premium federal tax charge, a premium state tax charge, and premium administrative charge. (see column 2 lines 45-65 and

column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 184, Ryan discloses including means, coupled to said means for determining account values, for subtracting said funding charges from said initial cash surrender value prior to determining account values and calculating said corresponding cash surrender value. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 185, Ryan discloses including means for investing the cash surrender value of the life insurance financial product in one or more financial investment accounts, including different investment funds, and means for calculating the cash surrender value of the life insurance financial product as a function of gains and losses on said investment accounts and funds. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 186, Ryan discloses wherein said means for determining said death benefit amount determines a life insurance base death benefit amount sufficient to retain said life insurance status which status is correlated with retaining the tax status of life insurance under current law. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 187, Ryan discloses including means for funding said life insurance financial product with additional funding premiums; and means for setting forth, in a schedule, said additional funding premiums, said schedule set forth in a policy established at the time said life insurance financial product is issued. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 188, Ryan discloses wherein said investment accounts provide earnings, the system including means for accounting for said earnings and including means for deducting, from said earnings, the cost of said at-risk insurance amount. (see

column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 189, Ryan discloses including means for minimizing said cost of said at-risk insurance amount and means for maximizing said cash surrender value for said life insurance financial product. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 190, Ryan discloses including means for re-allocating said corresponding cash surrender value into other financial investment funds or accounts and said means for determining account values thereafter determines account values and the corresponding cash surrender value. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 191, Ryan discloses a computer system with functional modules for establishing and maintaining a financial product as a life insurance product for an insured party comprising:

means for processing an initial funding premium for said life insurance financial product with;

means, coupled to said means for processing, for determining an initial cash surrender value for said life insurance financial product by accounting for said initial funding premium allocated in one or more investment accounts;

means for minimizing life insurance costs with:

for calculating a corresponding cash surrender value for said life insurance financial product(see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

means for determining daily a minimum amount of life insurance death benefit for said insured as a function of said corresponding cash surrender value, said minimum life insurance with death benefit being that minimum required to maintain said life insurance financial product as life insurance and said death benefit amount increasing and decreasing based upon said corresponding cash surrender value(see column 2 lines

45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

means for deducting a cost of an at-risk insurance amount corresponding to said death benefit amount from said corresponding cash surrender value sufficient to retain life insurance status for said life insurance financial product. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

Ryan fail to explicitly teach means for determining daily account values for said investment accounts.

However Wolfberg discloses as shown in FIG. 3A, entry into the system begins with a client's initial investment (100). The initial investment and the periodically received monthly payments are placed into a high-yield fund at a financial institution such as a brokerage house or a bank (102). The high-yield fund reflects the pooling of all client investments into a common investment fund at the financial institution (104). The prevailing interest rate (i.e., the predetermined rate of return applied to the client accounts) is periodically fed back to the data processing system (106) (daily weekly or monthly) so that the processing system can monitor the growth rate of the entire investment fund and turning now to FIG. 4A, this graph plots the growth of an initial investment base as a function of years during which an investment is compounding monthly. FIG. 4A shows graphically how an initial investment will grow based on an 8% rate of return compounded monthly. For example, if the initial investment $X.sub.O$ is $100.00 dollars, at the end of five years the 100.0 dollars will multiply by a factor of 1.49 to mature to 149.00 dollars. At the end of 10 years the 100.00 dollars will be multiplied by a factor of 2.22 to mature into 222.0 etc. The growth factors shown in FIG. 4A, i.e., 1.49 and 2.22, 3.31, and 4.93, remain the same regardless of the amount of the initial investment. Thus, growth factors may be used to determine a projected value for the growth of an account after N years based on any initial investment base $X.sub.O$. (see column 8 lines 56-68 and column 10 lines 16-31 and column 14 lines 55-63 and column 21 lines 47-52).

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Ryan to include means for determining daily account values for said investment accounts and taught by Wolfberg in order to manage and control annuities and distribution of annuities payment.

As per claim 192, Ryan discloses wherein said means for determining said minimum amount of life insurance death benefit determining a minimum death benefit required to maintain said life insurance financial product as life insurance based upon said daily cash surrender value and an age declining ratio to cash value amount for said life insurance financial product. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 193, Ryan discloses wherein said means for deducting a cost of an at-risk insurance amount includes means for deducting daily said cost of said at-risk insurance amount. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 194, Ryan discloses including means for determining said initial cash surrender value after accounting for initial funding charges. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 195, Ryan discloses including means for accounting for initial funding charges, said initial funding charges being one or more charges from the group of charges including a premium sales charge, a premium federal tax charge, a premium state tax charge, and premium administrative charge. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 1963, Ryan discloses including means for subtracting said funding charges from said initial cash surrender value prior to determining account values and calculating said corresponding cash surrender value. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 197, Ryan discloses a computer system with functional modules for a life insurance product as claimed in claim including means for investing the cash surrender value of the life insurance financial product in one or more financial investment accounts, including different investment funds, and means for calculating the cash surrender value of the life insurance financial product as a function of gains and losses on said investment accounts and funds. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 198, Ryan discloses wherein said means for determining said life insurance death benefit amount determines a life insurance base death benefit amount sufficient to retain said life insurance status which status is correlated with retaining the tax status of life insurance under current law. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 199, Ryan discloses wherein said life insurance financial product is funded with additional funding premiums, said means for processing accounting for said additional funding premiums; and the system including means for setting forth, in a schedule, said additional funding premiums, said schedule set forth in a policy established at the time said life insurance financial product is issued. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 200, Ryan discloses wherein said investment accounts provide earnings, said means for determining account values including means for accounting for said earnings, and the system including means for deducting, from said earnings, the cost of said at-risk insurance amount. (see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

As per claim 2001, Ryan discloses including means for re-allocating said corresponding cash surrender value into other financial investment funds or accounts and thereafter determining account values and the corresponding cash surrender value.

(see column 2 lines 45-65 and column 17 lines 12-44 and column 21 lines 58-67 and lines 1-6 and column 36 lines 60-67 and column 37 lines 1-18).

Conclusion

5.   Applicant 's arguments filed on 10/4/2007 have been fully considered but they are moot in view of new grounds of rejections.

6.   Any inquiry concerning this communication or earlier communications from the examiner should be directed to Clement B Graham whose telephone number is 571-272-6795. The examiner can normally be reached on 7am to 5pm.
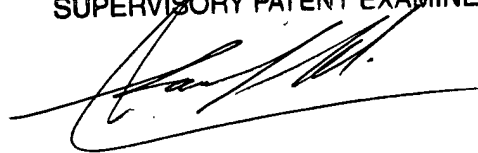
If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Kambzi Abdi can be reached on 571-272-6702. The fax phone numbers for the organization where this application or proceeding is assigned are 571-273-8300 for regular communications and 703-305-0040 for After Final communications.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is 703-305-3900.

CG

Nov 25, 2007

KAMBIZ ABDI
SUPERVISORY PATENT EXAMINER